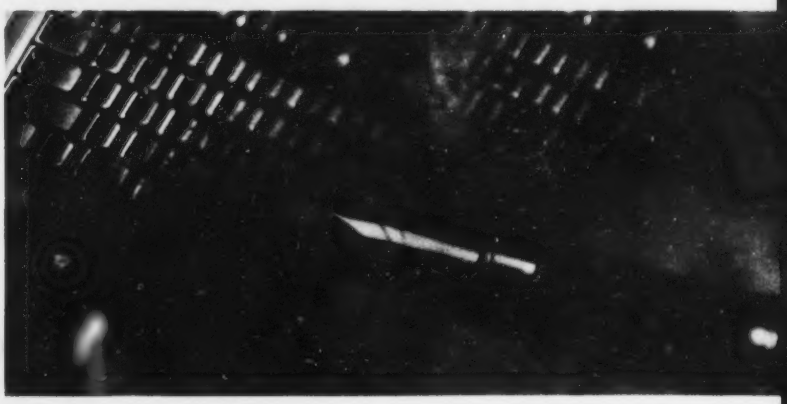
RESEARCH REPORT

BENT NAIL CO-OPERATIVE:
USING COMMUNITY ASSETS TO IMPROVE NEIGHBOURHOODS AND ACCESS AFFORDABLE HOUSING



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Bent Nail Tool Co-operative: Using Community Assets to Improve Neighbourhoods and Access Affordable Housing

Document Report

Submitted to
Homegrown Solutions

Submitted by
Quint Development Corporation
Room 202 230 Avenue R South
Saskatoon, Saskatchewan
S7M 0Z9
Phone (306)978-4042

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Preface

This report was produced under the auspices of ***Homegrown Solutions Maison***, a grant program funded by Canada Mortgage and Housing Corporation and administered by the Canadian Housing Renewal Association, The Canadian Housing Federation of Canada, Canadian Home Builders' Association, and Federation of Canadian Municipalities are partners in the initiative, participating in the steering and selection committees for the initiative.

Homegrown Solutions Maison was initially funded in 1995 by the federal government as a national enablement demonstration initiative with the objectives to

1. help locally based community organizations to meet housing need by identifying and harnessing new and existing resources available to their communities; and
2. demonstrate and share the ideas and approaches used to respond to local housing need

Homegrown Solutions Maison is not just about physically producing houses, it is an effort to build local capacity and enable communities to be creative in levering the resources that already exist to meet local needs.

This final report has been produced by the Quint Development Corporation as documentation of this initiative in order to share this information with others seeking to similarly address affordable housing need in their community.

A total of 13 initiatives were selected in 1996 and a further 18 in 1997. Each will culminate in a final report, produced as each initiative is completed.

For further Information on ***Homegrown Solutions Maison*** contact:

Project Manager
Homegrown Solutions
Canadian Housing and Renewal Association
401 -251 Laurier Avenue West
Ottawa Ontario
K1P 5J6

Phone: (613) 594-3007
Phone: (613) 594- 4650
Email: hgrown@web.net
Website: http://www.web.net/~hgrown

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EXECUTIVE SUMMARY

Project Highlights

The Bent Nail Tool Co-operative is one component of a broader strategy aimed at revitalizing five older neighbourhoods in the core area of Saskatoon. These areas have suffered from high concentrations of poverty and experienced physical and social decline. Yet the neighbourhoods also offer many opportunities with assets including both the existing urban infrastructure and human capital.

The broader strategy encompasses a full range of community development activities and has focused on the existing housing assets as a key component. An assisted home ownership model has been developed to facilitate home ownership and stabilize a neighbourhood currently undermined by a high proportion of renters and high mobility.

The component funded, in part, by ***Homegrown Solutions*** provided support to this process by building rehabilitation and maintenance skills and providing access to the tools necessary to undertake a self help process of revitalization.

The Home Improvement Cooperative includes but is not limited to the following:

> Access to proper tools for interior and exterior home improvements,
> Access to basic equipment for yard maintenance and landscaping, and
> Development and coordination of a series of workshops for members in plumbing, electrical, roofing, cement, basic carpentry, flooring, landscaping, and interior renovations (bathroom/kitchens).

The home improvement co-operative is open to individuals already involved in Quint projects, other low income community homeowners who have little experience and/or no access to equipment to improve their living conditions and to tenants who, in partnership with their landlords, would like to make improvements in their living conditions.

Funding and Community Resources

Through a community forum, conducted in 1995, housing figured prominently among issues raised. Residents identified a number of specific issues:

- Rental homes need to be brought up to safety and health code;
- People often move in search of suitable housing which disrupts school attendance; and
- Affordable home maintenance programs for low-income residents.

Residents of the communities also indicated that they would be more than happy to "fix-up the place" if they had the proper tools to do the job and "how to" educational workshops were available.

So the most critical resource was self-identified – it is the residents themselves.

Through the building of community participation and partnerships, members of Quint Development Corporation then built on this commitment to develop a comprehensive housing regeneration program.

Quint received a grant through Homegrown Solutions to cover coordination costs and purchase of tools.

The province contributed tools that had previously been acquired in previous renovation training program. The province also provided forgivable grants of 25% of the purchase price of the homes (forgiven over 5 years, if home remains occupied by target group).

The City also contributed a grant of 5% of the home costs to assist the downpayment.

With these equity contributions in place, the local credit union provided uninsured financing on the remaining 70% of the cost.

Partnerships developed with local business and the city and provincial government has enabled the initiative to access in kind donations – including workshop space, office and administrative support and assistance in incorporating.

The volunteer co-operative members will do most of the continuing rehabilitation work and management of the tool lending process with support from Quint.

Impact on Housing Supply

Through a co-operative housing program Quint has enabled ten families to move toward home ownership. Title to the homes is held by the co-op. After five years, residents can choose to leave the co-op and take on full responsibility as owners, or remain with a co-operative structure. The homes were purchased for prices ranging from $35,000-$45,000. Qualifying incomes for co-op members is below $25,000.

Through enhanced skills and easy accessibility to proper tools, both the ten co-op members and other community residents will be able to actively participate in the rejuvenation of housing stock.

Lessons and Adaptability

The summer months is not a good time to get community volunteers interested in the intensive work necessary in the development of a new initiative. The small numbers of founding members of the cooperative are nervous about the amount of volunteer time they will need to contribute, although this has driven them to ensure the recruitment of more members.

Community members have learned that government "wheels" turn slowly, and were they to do it over again, would not wait before making things happen.

Through giving community members the capacity to address their own housing renovation needs and providing the tools and education necessary to complete these tasks, it becomes a community development project in which any community and individual can gain.

Table of Contents

Introduction 1

Our Community 1

Quint Development Corporation 1

Background 2

Affordable Housing 2

A Holistic Approach 2

Stability 2

Employment/Training 3

Support 3

Skill Development 3

Initial Objectives 3

Process 4

Partnerships 4

Critical Commentary 5

Resources Accessed 6

Financial Assistance 6

In Kind Donations 6

Future Plans 6

Conclusion 7

Introduction

Our Community

The five neighbourhoods that make up the Quint community are some of the older parts of Saskatoon, developed in the early part of the century. These neighbourhoods have many things in common: caring people, character homes, lovely old trees and a diversity of citizens of all ages and many cultures. Over time the neighbourhoods have also come to share lower income levels, higher numbers of rental properties and vacant houses, higher unemployment and therefore greater numbers of families on social assistance than most other Saskatoon neighbourhoods.

Traditionally the spotlight has not been on the assets of our neighbourhoods but rather on largely negative images. These negative images are reflected in the media and can come to affect how we view ourselves. There are social problems in our neighbourhoods but there are also many positive assets. Community members recognize the need to address community concerns in a self-reliant manner.

In the 1990's community groups had been working on issues of hunger, youth safety and recreation and some interesting and useful actions had developed. In 1995 a number of groups and individual were involved in discussions of poverty reduction and there developed an interest in finding means to create jobs and economic opportunities that would truly bring about change in Saskatoon, in particular in the five core neighbourhoods. A community economic development (CED) educational workshop was organized. The interest was overwhelming as community people learned about an approach that enabled them to take control over their wellbeing.

Quint Development Corporation

Quint Development Corporation came into being in February 1995 as a way for people to work together to improve the social and economic wellbeing of the five core neighbourhoods. At Quint we see our neighbours and ourselves as the most important resource our community has and that Quint needs to utilize and develop our strengths and skills in rebuilding vital communities. We have structured our organization so that control remains within the five neighbourhoods. Our Board of Directors is comprised of appointed members – representatives of the five Community Associations making up the Quint boundaries, and elected members, three quarters of whom must live within the Quint boundaries. Quint also has created "Friends of Quint", positions that provide opportunities for partners to serve and participate at the Board level as non-voting members. Friends of Quint are champions of CED and of the organization.

Quint's long term objectives are to create job opportunities, to facilitate and provide loans to small businesses, to build community participation and understanding, to improve the quality and availability of housing, to provide training opportunities which will lead to sustainable employment and to develop an effective and sustainable community economic development organization.

Background

Affordable Housing

Community members and agencies working in isolation on many social, health and economic issues came together in July 1994 at a forum on poverty. Over one hundred people attending identified that a coordinated effort was necessary if residents in the City of Saskatoon were going to have any impact on diminishing the effects of poverty. During this forum housing was an ongoing theme. Specific issues regarding housing were:

- Rental homes need to be brought up to safety and health code;
- People often move in search of suitable housing which disrupts school attendance; and
- Affordable home maintenance programs for low-income residents.

As previously mentioned, the areas represented by Quint have the highest unemployment and the largest number of families on social assistance in the city. The percentage of rental properties outnumbers the number of homeowners in some of the neighbourhoods and this has led to the highest mobility rate within the city. Community residents saw owner-occupied housing as a key component in encouraging stability and pride within their neighbourhoods.

Although there has been a housing boom in Saskatoon, there has also been an increasing number of people who do not have adequate, appropriate or affordable housing. Members of the community believe that the quality of our housing is fundamental to the quality of our lives, our community and our city. Through the building of community participation and partnerships, members of Quint have been able to develop a comprehensive housing regeneration program that will begin to address concerns of those living within the core area. Residents wanted to improve the existing housing stock, enable job creation and skill development and provide the opportunity for low-income families to become homeowners.

A Holistic Approach

Stability - Over the past year Quint has developed a co-operative housing program that has provided the opportunity for ten low-income families to move into an affordable home ownership position. The program has been directed at families whose income is less than $25,000 per year. To help establish equity, the Saskatchewan Housing Corporation provided a financial contribution of 25% of the total cost as a forgivable loan, while the City of Saskatoon contributed a 5% grant. The Saskatoon and St. Mary's Credit Unions provided the mortgages for the remaining 70% financing. The price range of the 10 houses purchased by the Quint Housing Co-operative was between $35,000 and $45,000.

The Quint Housing Co-operative holds the titles and mortgages on the homes. The new owners commit to the co-operative for a minimum of five years. At the completion of the five-year term the equity contribution from the province is forgiven. At that time the

members have the choice to either remain with the co-operative for continued support or, if they feel they have the capacity to continue on their own, they may choose to leave the co-operative.

Employment/Training – A commitment was made to the families that the houses purchased would be structurally sound and meet the basic health and safety requirements. New Careers sponsored community residents to be involved in a training and employment program while doing renovations on the houses purchased. Repairs and renovation expenditures ranged from $0 to $11,000, with an average of $1800 per house. Repairs included relocation or removal of interior partition walls, plumbing and electrical upgrades, and some exterior structural work on porches and decks.

Support - Community consultation meetings that had been held during the development of the program, established that "just providing four walls is not enough". Moving into a home ownership position can be a scary move, support and mentorship was seen as crucial for long-term success for the families. The Co-op structure provides both financial and moral support for the ten families. As ten families they are "never alone" when home ownership issues arise. Financial support has been established through monthly contributions to the co-op maintenance and operating reserves. Quint has provided administration for the co-operative, both during the purchase and renovations of the homes as well as on an ongoing basis. The Co-op is also developing a community-based exchange mechanism called "Co-op Hours", that will allow members to track their participation in community-building projects, and to build up tradable equity in exchange for their skills and abilities.

Skill Development – During consultations, residents also identified that they would be more than happy to "fix-up the place" if they had the proper tools to do the job and if "how to" educational workshops were available. Community members were identifying ways on how they might get access to lawnmowers, woodworking and home maintenance tools.

Initial Objectives

The Home Improvement Co-operative would be open to individuals already involved in Quint projects, other low income community homeowners who have little experience and/or no access to equipment to improve their living conditions and to tenants who, in partnership with their landlords, would like to make improvements in their living conditions. This last aspect is seen as a way in which to mentor low income tenants into a position to move into affordable home ownership programs.

The Home Improvement Co-operative includes but is not limited to the following:

- Access to proper tools for interior and exterior home improvements,
- Access to basic equipment for yard maintenance and landscaping, and
- Development and coordination of a series of workshops for members in plumbing,

electrical, roofing, cement, basic carpentry, flooring, landscaping, and interior renovations (bathroom/kitchens).

As a piece of a larger puzzle we see several areas in which the development of a successful Home Improvement Co-operative can be used to benefit the community and successfully spin off other projects. They are:

i. Affordable housing projects utilizing community based infrastructure to build down payment equity in housing for low income members,
ii. Entrepreneurial endeavours that can work with the community and Quint in housing renovation and construction, and
iii. Development of training programs in partnership with other organizations with the Home Improvement Co-operative being positioned to provide the work experience component.

Process

An invitation was sent out to seventy-five community members to attend an information meeting on the concept of a tool co-operative. A small number of people turned out to discuss and share their thoughts. There was no lack of enthusiasm among those present.

During initial discussion it was felt that opening the co-operative to the larger community might be a difficult task. Community members were unsure of their capacity to

- Maintain stock,
- Deliver an adequate borrowing/return system, and
- Maintain the volunteer manpower necessary for day to day operations.

Comfort and confidence to move forward arrived with the groups' decision to start small. Membership to the co-op would be established for anyone to participate but, for a limited time, membership would only be open to Quint staff, members of the housing co-operative and families involved in a community gardening project.

A brainstorming session developed a number of creative names; consensus was reached and the ***Bent Nail Tool Co-operative*** was born. A Board of Directors was established that evening to move forward with incorporation of the co-op. The Board has met regularly to establish membership and borrowing policies as well as to discuss issues and concerns.

Partnerships

During presentations on the holistic approach to housing that the community wanted to take, individuals and organizations saw the opportunity for people to build their own capacity and expressed their interest in becoming a part of the initiative. They were excited and

encouraged by a model that moved away from 'charity' and provided the opportunity for people to build their own skills – **people helping themselves and each other** while enhancing their living conditions.

During the development of the Affordable Housing Program a partnership was developed with the Department of Social Services, New Careers Employment and Training Program. The program offered carpentry training and equipment for people interested in the construction industry. The program was discontinued in December 1997. The New Careers Employment and Training Program no longer needed the tools and equipment used in their program and they provided tools and equipment, ranging from ladders to a garden tractor, to the Quint Affordable Housing Program and the Home Improvement Co-operative. The Saskatoon Co-op, also involved in the Affordable Housing Program, has expressed an interest in assisting and participating in the tool co-operative.

The City of Saskatoon has provided the use of a city owned building for Quint Development Corporation. The building will provide space for tool storage as well as providing ample space to hold workshops on proper care and use of power tools and "how to" workshops.

Members of the Holy Spirit Church have initiated a "Tool Drive" for donations within their congregation.

Critical Commentary

A number of factors that developed simultaneously over a short period of time led to delays in the development of the Home Improvement Co-operative.

- Delays in the completion of the Quint Housing Co-operative;
- A change in management;
- A change in the Quint Board of Directors, which led to changes in committee structure.

These factors along with the time necessary to get volunteer Board members up to speed on current and upcoming projects delayed the start until the summer months.

Summer months are not the best time of year to start community development projects. It is difficult to get people involved in the more intense work necessary during the start-up phase of a project.

It is difficult to get people interested in something they cannot put their hands on. It was hard for people to discuss borrowing tools, developing workshops and workspace when nothing was visible.

Financial assistance was requested in the initial proposal for coordination over a three-month period of time. This allotted time period is unrealistic in assisting in the development of a

new community development initiative. Successful community development initiatives require longer-term coordination and assistance to ensure the initiative is firmly established.

The original budget was established with financial assistance for coordination salary and the purchase of tools. Incremental costs such as incorporation fees and necessary insurance were not taken into account.

A decision was made, by the tool co-operative Board of Directors, not to purchase tools until it was known what tools would be available from the New Careers Employment and Training Program. This became a hindrance to the operation of the co-op, as there were a number of delays by the government before confirmation of what tools were available was received.

Community residents, for their own benefit, identified the tool co-op initiative. Something that they wanted, that they believed would work. this belief and ownership has sustained them over any delays to persevere and ensure that the co-operative becomes a reality.

Resources Accessed

Financial Assistance

HomeGrown Solutions Grant -Coordination and purchase of tools	$18,000
Saskatchewan Property Management Division -Acquisition of New Careers Employment and Training Program Tools	$4,000

In Kind Donations

City of Saskatoon - Facility to house tools and training workshops	$15,000
Quint Development Corporation - Assistance with office related and ongoing support for the cooperative	$1,500
Department of Economic and Co-operative Development - Assistance with incorporation document and Board development	

Future Plans

Members of the co-operative have been spreading the word about the project. They have received welcoming support and encouragement from residents. Residents have expressed interest in:

- Becoming members,
- Providing specialty tools that they are no longer using, and
- Retired journeymen willing to provide instructional workshops.

Discussions have begun by the Board identifying ways to ensure the co-op can become sustainable without ongoing coordination of a salaried staff person as well as replenishing tools that have outlived their time. Members have brought forward a number of options that the Board will pursue.

Plans have not changed drastically from the original proposal except that the founding members have decided to start off with a smaller initial goal to ensure success. Members hope that both the "Co-op Hours" program and the Bent Nail Tool Co-op, in time, will be expanded to the broader community.

Quint Development Corporation is currently expanding their Affordable Housing Program by adding an additional two co-ops (20 families). The tool co-operative is preparing to expand their membership with the addition of the two new housing co-ops.

Conclusion

Even though the ***Bent Nail Tool Co-operative*** is not yet functioning at full capacity, residents are still committed. While members of the co-operative will benefit directly either through personal growth or property enhancement, the benefits will be felt throughout the community.

The need for appropriate and adequate housing continues to be a problem. This will continue to be a problem for communities when dealing with the aging housing stock in the core areas of cities across Canada. Through enhanced skills and easy accessibility to proper tools, community members will be able to actively participate in the rejuvenation of housing stock.

Through giving community members the capacity to address their own housing renovation needs and providing the tools and education necessary to complete these tasks, it becomes a true community development project in which the community, cooperative and individual all gain.

HAVE YOU EVER WANTED TO CUT YOUR LAWN BUT HAD NO LAWNMOWER?

HAVE YOU EVER WANTED TO FIX THAT LEAKY FAUCET BUT HAD NO WRENCH?

HAVE YOU EVER WANTED TO BUILD A NEW CABINET FOR YOUR BATHROOM BUT WEREN'T SURE HOW?

The Bent Nail Tool Co-operative exists to provide tools, facilities, information and training for its members. Our goal is to encourage self-sufficiency of our members on a co-operative basis and to enhance the core neighbourhoods in the heart of Saskatoon.

For more information call us at

978-4049

the Bent Nail Tool Co-op

Application for Membership

Applications for membership to the Bent Nail Tool Co-op may be mailed to:

Bent Nail Tool Co-op
c/o Quint Development Corporation
Rm 202
230Ave. R South
Saskatoon, SK
S7M 0Z9

- Applications may also be submitted to any current Bent Nail board member
- An information package containing hours of operation, general membership and borrowing polices, and required volunteer service, will be mailed out to new members
- Membership applications require the approval of a majority of the board of directors
- New members will be notified of the effective date of their membership within two weeks
- New members will be required to pay a $10.00 co-op fee prior to borrowing their first tool
- Members of the Bent Nail Tool Co-operative are encouraged to share their ideas and suggestions for the co-op with any of its directors and other members. It is the advice and direction of the membership that will enable the co-op to achieve its goals